

CORPORATE OFFICE

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March 22, 2020

VIA Email & U.S. MAIL

Moira Lawson, Program Manager Certificate of Need Division Maryland Health Care Commission 4160 Patterson Avenue Baltimore, MD 21215

Re: Pyramid Walden, LLC – Joppa ICF facility Matter No. 20-12-2440

Dear Ms. Lawson,

Below you will find responses to the completeness request dated March 4, 2020. Each question is restated, followed by our response in italics.

Executive Summary

1. The Executive Summary (p. 8) states that the facility will have 50 beds licensed at ASAM Level 3.7 and 3.7WM and 22 beds licensed at ASAM level 3.5 but also describes it as having 64 beds, 50 for level 3.7 and 14 for level 3.5. Explain this discrepancy.

APPLICANT RESPONSE: The statement that the facility will have 22 beds licensed at ASAM level 3.5 is an error. The highlighted section from page 8 should read as follows:

The proposed project will convert a building formerly used as a Super 8 motel located in Joppa, Harford County, MD into a 64-bed residential treatment facility. The proposed treatment facility will include fifty (50) beds licensed and designated for Withdrawal Management and Medically Monitored Inpatient (Level III,7WM and Level III.7), and an additional 14 beds licensed for Clinically Managed High Intensity Residential treatment (Level III.5).

Sliding Fee Scale

2. What factors will be used to determine an individual's ability to pay? When applying your sliding fee scale, will total gross household income, equity in a primary residence, and a person's net worth be included?

APPLICANT RESPONSE: The following factors will be used to determine an individual's ability to pay: Total Gross Household Income; number of individuals in the household; Number of individuals under age 18 in the household. primary residence and a person's net worth is not included. Please see Exhibit 21 for detailed instructions for program staff to enter the required information into our electronic billing system, which applies the sliding scale and determines the cost to the individual.









Information Regarding Charges:

3. Provide a list of projected services and prices

APPLICANT RESPONSE: Please see attached Fee Schedule in Exhibit 22.

Sources of Referral

4. Outline the system Pyramid Walden will use to monitor the amount and proportion of bed days utilized for indigent or gray area patients (i.e. on a daily, monthly, quarterly, etc., basis), and how it will adjust its outreach and admissions process to ensure that 50% of more of its annual bed days are allocated to indigent or gray area patients.

APPLICANT RESPONSE: The chart in Exhibit 23 is a monthly breakdown of patient admissions by payer for the Walden Anchor ICF program. The Harford ICF will use a similar report on a monthly basis to review percentage of indigent or gray area admissions. The Anchor report further demonstrates the overwhelming need of services for the indigent population in Maryland. Over the past several months, more than 96% of our admissions were represented by indigent clients.

Pyramid Walden uses advanced reporting and analytics tools and systems to help generate daily monitoring, weekly, monthly quarterly and annual reporting to ensure we're providing effective services for the Maryland population in need. Pyramid Walden has a heavy focus on serving the underserved, indigent population across our system and we do not expect the census for our residential programs in Maryland to ever fall below 50% indigent clients served. This is best represented by our average census over the past many months being heavily weighted by indigent clients (96%).

Though extremely unlikely, should our percentage of indigent clients ever fall below 50%, Pyramid Walden's outreach team will work with all local and public behavioral healthcare providers, hospitals, and emergency and crisis service centers to ensure they are aware of our goal to meet the needs of the underserved. We will work with the community to further improve access to our services to make sure all indigent clients seeking services have a simple and seamless process to enter our care.

Identification of Bed Need

5. The application documents the need for beds by providing information about turndowns at their current call center. What percentage of overall state need is represented by calls to the Pyramid Walden call center? What percentage of individuals who call into the center and are offered treatment accept and receive care?

APPLICANT RESPONSE: It is difficult to determine what percentage of overall state need is represented by calls to the Pyramid Walden call center, as the call center has only been operating for 16 months and is only supporting the Charlotte Hall facility during this time. However, the number of monthly calls is trending upward, indicating we are reaching a greater percentage of State need with our increased outreach efforts. Since November 2019, Pyramid Walden:

- Received an average of 675 calls requesting residential treatment each month.
- Admitted an average of 172 clients per month into our residential levels of care (25.5%)
- Turned away an average of 207 clients per month due to lack of bed availability (30.7%)
- Did not admit an average of 296 clients per month for other reasons, including client unable accept treatment at that time. If we assume that all of these turndowns were offered treatment but did not accept and receive care, the 172 admissions per month represents 36.8% of all persons offered treatment.
- 6. The application provides data from the Charlotte Hall facility (Exhibit 12) that shows that the facility gets referrals from all over the state. In general, how far are patients willing to travel for care? Does the facility have resources available to help individuals travel from jurisdictions that are more distant? Please amend Exhibit 12 to include the county from which the referrals are made.

APPLICANT RESPONSE: Pyramid Walden operates an extensive transportation network and bedboard system, and provides transportation to 100% of persons receiving treatment in our residential facilities. This allows us to offer ICF and Withdrawal Management beds to persons according to bed availability rather than location. For example, when the Harford facility opens, an individual calling from Charles County will be offered transportation to the first available bed, whether that is in Charlotte Hall or Joppa. The information in Exhibit 12 which shows referrals by referral source for the time period of January 2019 – January 2020 was extracted from our database to identify referrals by County for the same time period and is attached as Exhibit 24.

Outpatient Alcohol and Drug Programs

7. The application states that an outpatient drug program will be established at the Joppa site. What is the expected date of opening of this program? Does the \$302,141 in projected outpatient revenues on Table F refer to revenues from this new outpatient program on site?

APPLICANT RESPONSE: The outpatient drug program will open immediately following the opening of the ICF in order to provide Psychiatric and MAT services to those individuals in the residential facility. We project that the outpatient program will expand to serve individuals from Harford County on an outpatient basis within 6 months of the ICF opening. The \$302,141 in projected outpatient revenues on Table F refers to revenues from the new outpatient program on site.

Availability of More Cost Effective Alternatives

8. As required in COMAR 10.24.01.08G(3)(e), describe the planning process that was used to develop the proposed project. This should include a full explanation of the primary goals or objectives of the project or the problem(s) being addressed by the project.

APPLICANT RESPONSE:

Pyramid began to plan the proposed project in Harford County in 2019 when our call center data indicated that additional ICF beds were necessary to meet the needs the increasing number of people seeking treatment for Substance Use Disorder. The primary problem being addressed by the project was lack of access to Detox and Medically Monitored residential treatment for persons with Substance Use Disorder. The primary objectives of the project were as follows:

- 1. Provide access to additional ICF and Medically Monitored residential treatment to Maryland residents as quickly as possible.
- 2. Locate the additional residential treatment beds in a geographic location in Maryland that is in need.
- 3. Identify a building that will require minimal construction to minimize both time and expense and bring the needed treatment beds to Maryland residents as quickly as possible.

As we identified the building located at 1015 Pulaski Highway, Joppa, which was selected due to its location and speed with which the project could bring additional licensed beds on board, Pyramid began planning with stakeholders in Maryland and Harford County. We met with local hospitals, crisis centers, government officials, family members, the Harford County Department of Health, treatment providers, and others to identify the specific needs of Harford and surrounding counties and to establish referral agreements. At the state level, engaged in regular communication and planning with the State BHA to identify the most expeditious way that Pyramid Walden can provide access to needed treatment, and Exhibit 25 includes a letter of support from Marian Bland, Director, Clinical Services, Adults and Older Adults. Finally, in recent days in response to the additional barriers that the COVID-19 virus has presented to Maryland residents needing treatment, we have collaborated with the state BHA and are prepared to bring those beds online within days of receiving our Certificate of Need.

Project Budget

9. As discussed in our phone call of March 2, you will be providing a corrected project budget.

APPLICANT RESPONSE: As discussed in our phone call of March 5, clarification on the specific line items in the budget was provided and no corrected budget was needed.

Statistical Projections (Table E)

10. In its discussion of need, a length of stay of 14 days was used to validate the need for the 50 beds requested for this project (p.20). However, in the statistical projections (Exhibit 17, Table E), the expected length of stay is only 9.2 days. Explain this discrepancy.

APPLICANT RESPONSE: In the discussion of need, we used the State Plan's assumption of a 14-day length of stay for ICF treatment. In our statistical projections and budget, we used Pyramid Walden's actual length of stay of 9.2 days at our Charlotte Hall facility in Fiscal Year 18-19. If we apply the 9.2 day length of stay to the discussion of need, the number of admissions needed would increase by 34.3%.

Other

11. The floor plans for the facility contain a dining hall but no kitchen facilities. Has the applicant identified an outside firm to provide meals and if so, what has the applicant projected to be the average daily cost of food per patient? Will the program be using the services of a registered dietician for meal planning?

APPLICANT RESPONSE: We have identified an outside vendor, Café Michelle, to provide the meals. We have in-house licensed Dieticians who prepared a menu cycle, which was approved by the Maryland Bureau of Environmental Health when they approved the building use change for the Certificate of Occupancy. Budgeted food cost is \$20/patient day.

I hereby declare and affirm under the penalties of perjury that the facts stated in this application and its attachments are true and correct to the best of my knowledge, information, and belief.

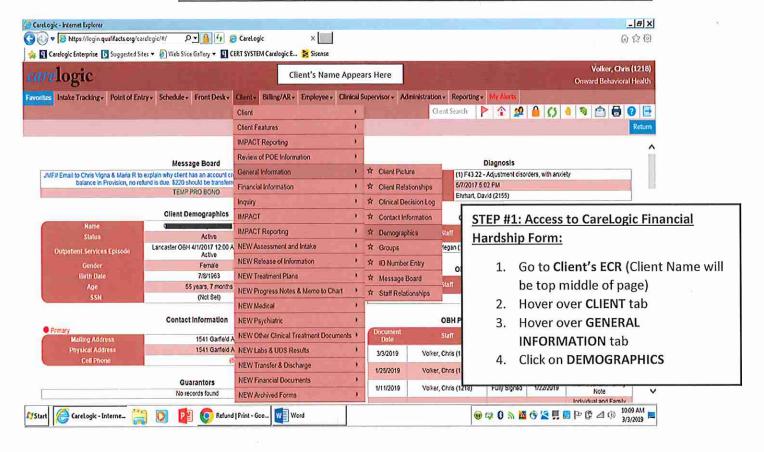
Jonathan Wolf, President

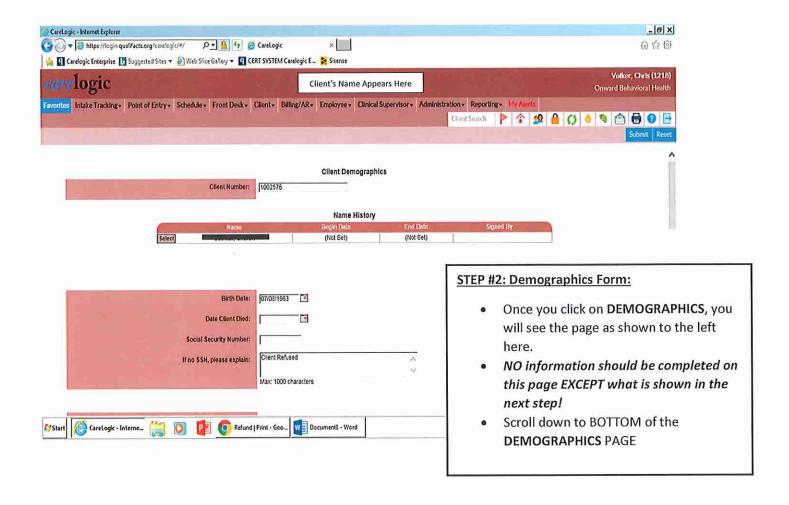
Cc: Ruby Potter, Certificate of Need Division

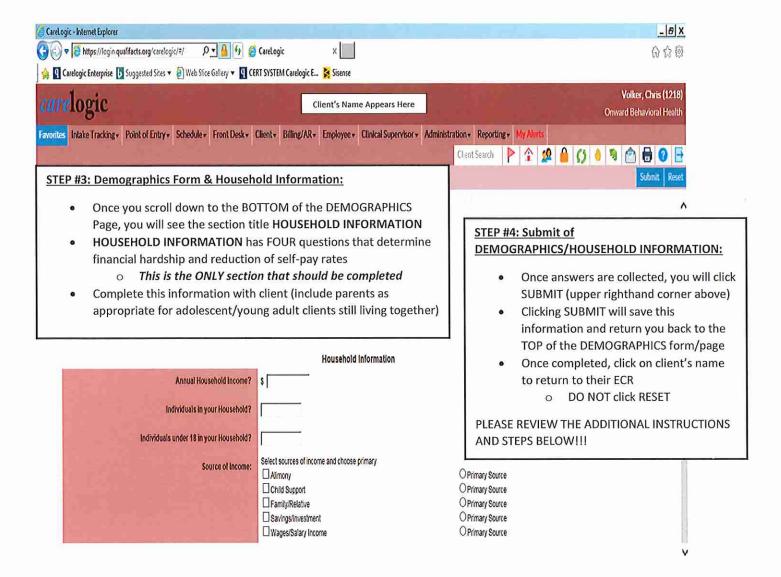
Kevin McDonald, Certificate of Need Division

Russel Moy, Health Officer, Harford County Health Department

Exhibit 21: Self-Pay Clients: Use of CareLogic Financial Hardship Form





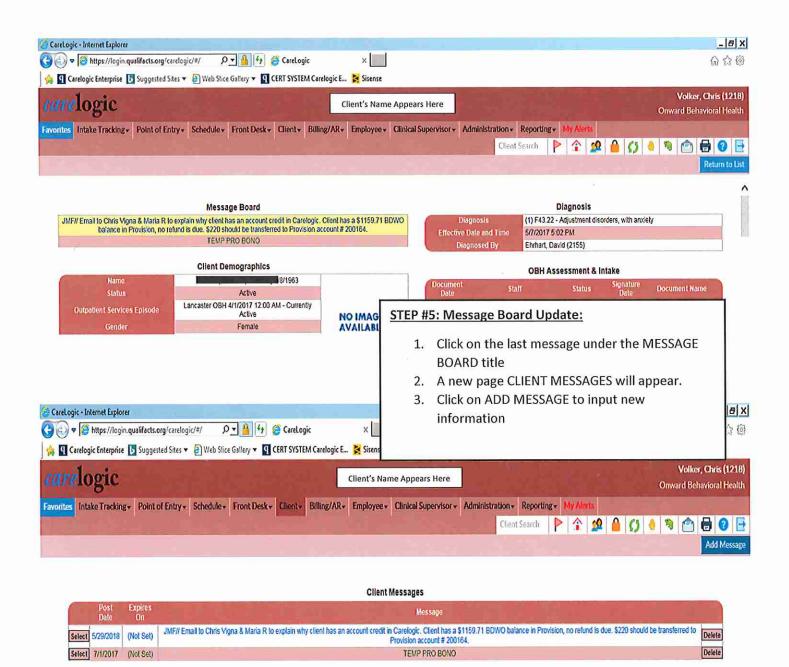


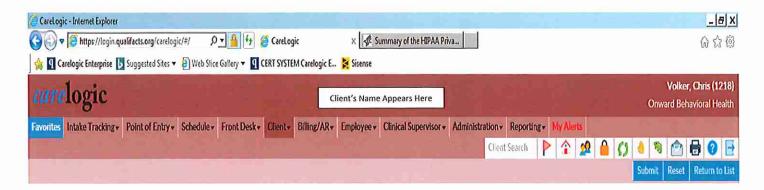
FOLLOW-UP INSTRUCTIONS:

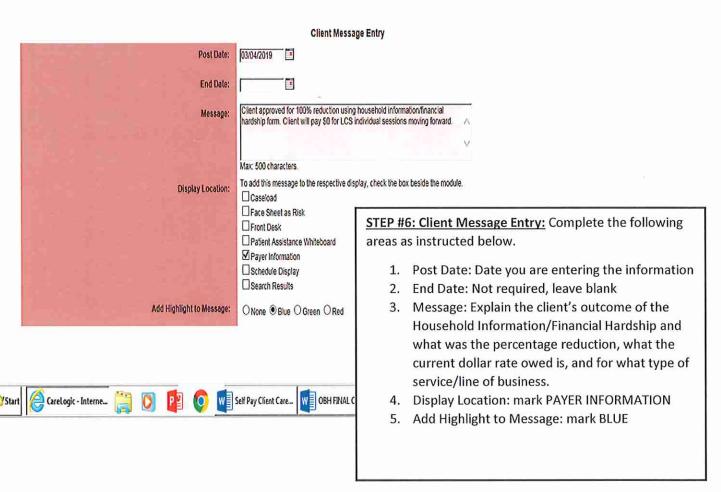
- Once the HOUSEHOLD INFORMATION is submitted, the system will not automatically inform you of the percentage of reduction the client is eligible for, this will need to be looked up using the chart below.
- ✓ The client's predicted percentage reduction is based off of the annual household income and individuals in household.
- ✓ Use the chart below to identify the reduction percentage and what the adjusted rate would be and NOTATE IN THE MESSAGE BOARD as shown below.
- ✓ Convey this adjusted reduced rate to the client and the office admin as well.

EXAMPLE #1: This client identified in the instructions is being seen for LCS individual sessions and has no active insurance. The annual household income is \$19,000 with three individuals in the home (one under 18 years old) and primary income is alimony. This client qualifies for a 100% reduction, or probono.

EXAMPLE #2: Client J. Doe is being seen for RAW IOP sessions at the updated self-pay cash rate (\$336.00) and has no active insurance. The annual household income is \$35,000 with three individuals in the home (two under 18 years old) and primary income is salary. This client qualifies for a 30% reduction, which reduces their self-pay by \$100.80 (30% of \$336), and the client would now owe \$235.20.







Financial Hardship Scale

Adjusted Annual	Number of Individuals in Household: 1	2	3	4	5	6	7	8+
0-13300	100%	100%	100%	100%	100%	100%	100%	100%
13301 - 14300	90%	100%	100%	100%	100%	100%	100%	100%
14301-15300	80%	100%	100%	100%	100%	100%	100%	100%
15301-16300	70%	100%	100%	100%	100%	100%	100%	100%
16301-17300	60%	100%	100%	100%	100%	100%	100%	100%
17301-18300	50%	90%	100%	100%	100%	100%	100%	100%
18301-19300	50%	90%	100%	100%	100%	100%	100%	100%
19301-20300	40%	80%	100%	100%	100%	100%	100%	100%
20301-21300	30%	80%	100%	100%	100%	100%	100%	100%
21301-22300	20%	70%	100%	100%	100%	100%	100%	100%
22301-23300	10%	60%	90%	100%	100%	100%	100%	100%
23301-24300	0%	60%	90%	100%	100%	100%	100%	100%
24301-25300	0%	50%	80%	100%	100%	100%	100%	100%
25301-26300	0%	50%	80%	100%	100%	100%	100%	100%
26301-27300	0%	40%	70%	100%	100%	100%	100%	100%
27301-28300	0%	30%	70%	90%	100%	100%	100%	100%
28301-29300	0%	30%	60%	90%	100%	100%	100%	100%
29301-30300	0%	20%	60%	80%	100%	100%	100%	100%
30301-31300	0%	10%	50%	80%	100%	100%	100%	100%
31301-32300	0%	10%	50%	80%	100%	100%	100%	100%
32301-33300	0%	0%	40%	70%	90%	100%	100%	100%
33301-34300	0%	0%	40%	70%	90%	100%	100%	100%
34301-35300	0%	0%	30%	60%	90%	100%	100%	100%
35301-36300	0%	0%	30%	60%	80%	100%	100%	100%
36301-37300	0%	0%	20%	60%	80%	90%	100%	100%
37301-38300	0%	0%	20%	50%	70%	90%	100%	100%
38301-39300	0%	0%	20%	50%	70%	90%	100%	100%
39301-40300	0%	0%	10%	40%	70%	90%	100%	100%
40301-41300	0%	0%	10%	40%	60%	80%	100%	100%
41301-42300	0%	0%	0%	40%	60%	80%	90%	100%
42301-43300	0%	0%	0%	30%	60%	80%	90%	100%
43301-44300	0%	0%	0%	30%	50%	70%	90%	100%
44301-45300	0%	0%	0%	20%	50%	70%	90%	100%
45301-46300	0%	0%	0%	20%	50%	70%	80%	100%
46301-47300	0%	0%	0%	20%	40%	70%	80%	90%
47301-48300	0%	0%	0%	10%	40%	60%	80%	90%
48301-49300	0%	0%	0%	10%	40%	60%	80%	90%
49301-50300	0%	0%	0%	0%	30%	60%	70%	90%
50301-51300	0%	0%	0%	0%	30%	50%	70%	80%
51301-52300	0%	0%	0%	0%	30%	50%	70%	80%

52301-53300	0%	0%	0%	0%	20%	50%	60%	80%
53301-54300	0%	0%	0%	0%	20%	40%	60%	80%
54301-55300	0%	0%	0%	0%	20%	40%	60%	70%
55301-56300	0%	0%	0%	0%	10%	40%	60%	70%
56301-57300	0%	0%	0%	0%	10%	40%	50%	70%
57301-58300	0%	0%	0%	0%	10%	30%	50%	70%
58301-59300	0%	0%	0%	0%	0%	30%	50%	70%
59301-60300	0%	0%	0%	0%	0%	30%	50%	60%
60301-61300	0%	0%	0%	0%	0%	20%	40%	60%
61301-62300	0%	0%	0%	0%	0%	20%	40%	60%
62301-63300	0%	0%	0%	0%	0%	20%	40%	60%
63301-64300	0%	0%	0%	0%	0%	10%	40%	50%
64301-65300	0%	0%	0%	0%	0%	10%	30%	50%
65301-66300	0%	0%	0%	0%	0%	10%	30%	50%
66301-67300	0%	0%	0%	0%	0%	10%	30%	50%
67301-68300	0%	0%	0%	0%	0%	0%	30%	40%
68301-69300	0%	0%	0%	0%	0%	0%	20%	40%
69301-70300	0%	0%	0%	0%	0%	0%	20%	40%
70301-71300	0%	0%	0%	0%	0%	0%	20%	40%
71301-72300	0%	0%	0%	0%	0%	0%	20%	30%
72301-73300	0%	0%	0%	0%	0%	0%	10%	30%
73301-74300	0%	0%	0%	0%	0%	0%	10%	30%
74301-75300	0%	0%	0%	0%	0%	0%	10%	30%
75301-76300	0%	0%	0%	0%	0%	0%	10%	20%
76301-77300	0%	0%	0%	0%	0%	0%	0%	20%
77301-78300	0%	0%	0%	0%	0%	0%	0%	20%
78301-79300	0%	0%	0%	0%	0%	0%	0%	20%
79301-80300	0%	0%	0%	0%	0%	0%	0%	20%
80301-81300	0%	0%	0%	0%	0%	0%	0%	10%
81301-82300	0%	0%	0%	0%	0%	0%	0%	10%
82301-83300	0%	0%	0%	0%	0%	0%	0%	10%
83301-84300	0%	0%	0%	0%	0%	0%	0%	10%
84301-85300	0%	0%	0%	0%	0%	0%	0%	0%
85301-86300	0%	0%	0%	0%	0%	0%	0%	0%
86301-87300	0%	0%	0%	0%	0%	0%	0%	0%
	<u> </u>							

EXHIBIT 22

Pyramid Walden Fee Schedule March 2020

Procedure	CHARGE	
90832-0914 - INDIVIDUAL THERAPY 30 MINS	\$	41.21
90834-0914 - INDIVIDUAL THERAPY 45 MINS	\$	72.56
90847-0916 - FAMILY THERAPY	\$	77.68
99251-0900 - E&M INPATIENT CONSULTATION 20 MINS	\$	48.64
99252-0900 - E&M INPATIENT CONSULTATION 40 MINS	\$	74.43
99253-0900 - E&M INPATIENT CONSULTATION 55 MINS	\$	114.74
99254-0900 - E&M INPATIENT CONSULTATION 80 MINS	\$	166.63
99255-0900 - E&M INPATIENT CONSULTATION 110 MINS	\$	200.43
H0001-0900 - EVALUATION / ASSESSMENT	\$	158.26
H0004-0914 - INDIVIDUAL THERAPY 30 MINS	\$	22.29
H0005-0915 - GROUP THERAPY	\$	43.47
H0015-0906 - INTENSIVE OUTPATIENT	\$	139.31
H0016-0900 - EVALUATION / ASSESSMENT WITH MEDICAL SERVICES	\$	222.90
H0020:HG-0944 - MEDICATION ADMINISTRATION OR MAINTENANCE	\$	68.84
H0047-0900 - CERTIFIED RECOVERY SERVICES	\$	61.19
H2036:22-0912 - PARTIAL HOSPITALIZATION	\$	234.04
H2036-0912 - PARTIAL HOSPITALIZATION	\$	144.88
RESRB - ROOM AND BOARD	\$	47.44
W7350 - ASAM LEVEL 3.5	\$	196.07
W7370 - ASAM LEVEL 3.7	\$	301.86
W7375 - ASAM 3.7WM	\$	367.08
W9520 - MEDICATION ADMINISTRATION OR MAINTENANCE	\$	9.83

EXHIBIT 23

Pyramid Walden LLC

Anchor ICF Admissions by Payer Type October 2019 - March 2020

Count of INSURANCE	Column La 2019 Qtr4	abels		2020 Qtr1			Grand Total
Row Labels	Oct	Nov	Dec	Jan	Feb	Mar	
AETNA		1					1
CARE FIRST BLUE CHOICE					1		1
CARE FIRST OF MARYLAND			4				4
CAREFIRST		20			1		1
CIGNA				1	1	î	2
FEDERAL BLUE CROSS				1	1		2
MEDICAID MARYLAND	7	209	155	161	141	40	713
MEDICARE - MARYLAND				2			2
SELF PAY	4			2			2
OPTUM BEHAVIORAL HEALTH			2				2
PERSONAL CHOICE				1			1
PRINCE GEORGE COUNTY GRANT			_		1		1
SCA-LANCASTER (PENNSYLVANIA)		1					1
UNITED BEHAVIORAL HEALTH			2				2
UNITED HEALTHCARE					2		2
Grand Total	7	211	163	168	148	40	737

EXHIBIT 24
PYRAMID WALDEN RESIDENTIAL REFERRALS BY COUNTY JANUARY 2019 - JANUARY 2020

														Curvad
	201	0											2020	Grand Total
	2019			043			043			04-4				
n	Qtr1		N. 4	Qtr2		1	Qtr3		C =	Qtr4		Des	Qtr1	
Row Labels	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	20
Allegany	142	454	1	126	2	2	1	4	21	1	8	7	4	30
Anne Arundel	143	151	146	136	88	68	34	21	31	-	11	95	29	953
Baltimore	40	74	93	141	79	64	20	16	41	-	10	34	15	627
Baltimore City	4	7	10	12	6	5	6	27	4	<u> </u>	6	4	-	64
Calvert	57	56	47	60	42	22	17	27	15		14	14	6	377
Caroline	1	-	1	1	1	-	3	1	1	-	1 2	-	-	4
Carroll	1	11	1	4	1 15	1	ļ	1	3	-	3	1	ł	15 65
Cecil	10	11	6	10		1	40	72	4		2	6 68	12	963
Charles	85	106	172	159 2	96	63	40	73	58	-	30	68	13	7
Dorchester Frederick	14	6	16	29	15	11	9	3			8	6	+ 4	117
	14	ь	_	1	15	11	9	3			2	В	-	5
Garrett Harford	3	11	19	45	18	2	2	10	4	-	1	6	6	127
Howard	11		15	12	5	3	2	10	5	-	2	5	1,	62
	TT	3	12	12	3	3	-		3	-		5	1	1
Kent	3	17	15	39	17	7	1	-	9	-	1	12	3	124
Montgomery Other	2	1	15	39	1/	2	+	1	15		-	12	3	21
Out of State	12	18	26	42	4	7	2	6	13	1	-		-	117
Prince George's	36	62	54	107	85	37	19	44	34	1	13	36	13	540
Queen Anne's	30	02	34	107	2	37	19	44	34	1	1	2	1	6
Somerset	1	+	4				-	1	1	-	1		1	6
St. Mary's	364	195	242	235	200	136	134	132	123	1	50	150	60	2021
Talbot	304	133	1	233	1	130	134	132	123	-	1	1	1	5
Virgina				-	3	1	-		-		+ -		-	3
Washington	14	2	3	17	15	5	1	10		1	2	4	1	74
Wicomico	2	3	3	1 -	3	7	2	10	4	1	14	21	4	63
Worcester	1		1		-	+ ′	-	1	-	1	2	6		10
(blank)	-			-		-			+	1	-	<u> </u>		10
Lebanon			1	1		1	1			2				2
Bucks			1			1				1	1			2
Beaver										1	-			1
Dauphin	1									1				1
Northampton											1			1
Lackawanna											1			1
Richmond											_	1		1
Camden								-		2		-		2
Lehigh													1	1
Monroe											1		_	1
Cape May											-		1	1
N/A					 	3:				1	1			2
Fairfax			†	1						-		1		1
Grand Total	803	724	877	1052	697	442	292	348	350	9	186	480	164	6424



Larry Hogan, Governor · Boyd K. Rutherford, Lt. Governor · Robert R. Neall, Secretary

Behavioral Health Administration Aliya Jones, M.D., MBA Deputy Secretary/Executive Director 55 Wade Ave., Dix Bldg., SGHC Catonsville, MD 21228

February 24, 2020

Maryland Health Care Commission 4160 Patterson Avenue Baltimore, MD 21215

Dear Maryland Health Care Commission,

It is with pleasure that I write this letter of support on behalf of Walden and Pyramid Healthcare in their development of an Intermediate Care Facility in Harford County to serve adults with Substance Use Disorder.

The Behavioral Health Administration (BHA) partners with the Harford County Local Addiction Authority and the Health Department to provide oversight of the Public Behavioral Health System and the continuum of services. The Harford County Local Addiction Authority has identified a need for Medically Monitored Inpatient Treatment for Harford County.

Walden has been a provider of High Intensity Medically Monitored treatment in Southern Maryland for the past 20 years, and many residents from the Central Maryland Region are transported to their facility in Charlotte Hall for treatment, then referred back to their home county for continuing care. Walden has demonstrated a commitment to serving the indigent and publicly funded population.

Thank you for your consideration of Walden's application for a Certificate of Need for an ICF for Substance Use Disorder. If you have any questions, please do not hesitate to contact me at (410) 402-8461.

Sincerely,

Marian V. Bland, LCSW-C

Director, Clinical Services, Adults and Older Adults

Behavioral Health Administration